DEPARTMENT OF TECHNOLOGY SERVICES

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Re: RFP DGS-2053 Addendum 12

To Interested Vendors, Present and Future CALNET Customers:

With the release of Addendum 12 of RFP DGS-2053 for CALNET II services, the State continues its procurement of voice and data services on behalf of California State and local government Agencies. This Addendum is released early to provide more time for bidders to review and respond to the significant changes proposed prior to submitting Conceptual Proposals. See RFP Addendum 12, Section 1 for an overview of the revised RFP and the revised schedule.

This Addendum generally retains the business and technical requirements of the RFP as previously released, but incorporates significant changes to enhance opportunities for bidders while increasing potential service solutions for the State. These changes include:

- Dividing the RFP's services into four separately awarded Modules. Bidders may bid any or all of the four Modules, which are:
 - o Module 1 Core Services (Local voice services and statewide data services)
 - o Module 2 Long Distance Services for Voice
 - o Module 3 Internet Protocol Services
 - Module 4 Broadband Fixed Wireless Access Services
- Retaining the non-exclusivity of the awarded contracts, but allowing the awarded CALNET II
 Contractors to lower prices in response to ongoing competitive pressures with a new streamlined
 process.
- Adding new requirements for Transitioning and Migrating between CALNET I and CALNET II, and for Transferring services between CALNET II Module Contractors.

The new four Module approach allows bidders to bid their core competency, without having to bid services of other Modules in order to receive an award. This approach will also promote ongoing competition between the traditional voice services of Modules 1 and 2, and the newer converged services of Module 3, including Voice over Internet Protocol (VoIP). Ongoing competition will also be supported between the traditional data services of Module 1 and the alternative data services available through Modules 3 and 4.

Significant procedural changes also include:

- A requirement for <u>all</u> bidders to submit new Letter(s) of Intent to Bid, Statement(s) of Experience and Financial Condition, and Confidentiality and Non-Disclosure Agreement(s) (see RFP Sections 1.9, 1.10 and 1.12).
- A Vendors' Forum on August 24th in Sacramento for a brief overview of the revised RFP and the procurement process (see RFP Section 1.8).
- Revised Key Action Dates (see RFP Section 1.7).
- Separate Model Contract language for each Module being bid (see RFP Section 2.4 and Appendices A and B).

Because of the many changes to text and numbering throughout the revised RFP, the State decided to replace the entire previously released RFP with Addendum 12, without showing change lines in the margins. Also, the significant changes to the RFP in Addendum 12 have made most of the previous information no longer applicable. Therefore, the original RFP, its associated Addendums (1-11), and Question and Answer Sets (1-12), are now located at the CALNET II homepage on an RFP Archive page. The information on the active CALNET II homepage will start with Addendum 12, and the Question and Answer sets will start with Set 13. Please do not hesitate to submit new questions or to re-ask previously submitted questions to help ensure understanding of the requirements. **Bidders are strongly advised to read the entire RFP Addendum 12**.

Last month, the Office of Network Services, responsible for CALNET services, was transferred from the Department of General Services Telecommunications Division, to the new Department of Technology Services (DTS). Accordingly, the CALNET II homepage web address has been changed to: http://www.ons.dts.ca.gov/calnetIIhomepage.asp. Vendors and other interested parties may access this homepage for current information about the bid process and schedule, the technical and business requirements, the proposed contract language, and to view RFP questions and answers and other applicable information.

Current subscribers to the CALNET II homepage do not have to re-subscribe in order to continue to receive updates. Those who are not current subscribers that wish to receive notification each time this homepage is updated, are encouraged to subscribe by visiting the CALNET II homepage to complete the short subscription section at the bottom of the page.

With this revised CALNET II RFP, the State encourages all vendors to consider bidding for the Module services appropriate to their business expertise. This revised RFP should provide new competitive opportunities for vendors, while enhancing service possibilities to effectively meet business needs for State and local agencies. We welcome and encourage your participation.

Sincerely,

SANDRA BIERER, Chief Office of Network Services

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